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LINKAGE OF ISRAELI CREDITS TO SAUDI SALES

-- BECAUSE OF THE CHANGED SITUATION IN THE REGION, AND OUR DESIRE TO BE ASSURED OF THE ADEQUACY OF ISRAEL'S DEFENSES, WE ARE PROPOSING TO PROVIDE ISRAEL WITH ADDITIONAL FMS CREDITS FOR THE PURCHASE OF AIRCRAFT OR OTHER EQUIPMENT ISRAEL MAY PREFER.

-- THESE PROPOSALS ARE PART OF A LARGER STRATEGY DESIGNED TO BLOCK SOVIET PENETRATION INTO THE MIDDLE EAST AND TO STRENGTHEN THE U.S. SECURITY POSITION. SHOULD IT PROVE IMPOSSIBLE TO IMPLEMENT ANY PART OF OUR BROADER PROGRAM, WE WOULD OF COURSE HAVE TO REVIEW WHAT OTHER MODIFICATIONS OF OUR PLANS MIGHT BE NECESSARY.